

# YUKON LAW FOUNDATION

**Fiscal Year Ending October 31, 2008**

Box 31789  
Whitehorse, Yukon  
Y1A 6L3

# INTRODUCTION

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The Yukon Law Foundation was initially authorized in the Legal Profession Ordinance by amendments made in 1975, but was not actually established by the Government of Yukon until 1979. The Foundation now carries on its mandate under the *Legal Profession Act* proclaimed into force on April 1, 1985.

The Foundation receives all its revenue from interest on the trust accounts of the lawyers practicing law in the Yukon and from interest on the Foundation's investments. The money available to the Foundation to pursue its objectives will therefore vary from year to year depending on the amount of client money held in trust in a lawyer's trust account. For the year ending October 31, 2008 the interest paid to the Foundation was \$203,026. For the year ending October 31, 2007, the interest paid to the Foundation was \$310,969.

Individuals or organizations wishing to apply for a grant from the Yukon Law Foundation should communicate with:

Yukon Law Foundation  
Box 31789  
Whitehorse, Yukon Y1A 6L3  
Phone: (867) 667-7500  
Fax: (867) 393-3904  
E-mail: [execdir@yukonlawfoundation.com](mailto:execdir@yukonlawfoundation.com)  
Web Site: [www.yukonlawfoundation.com](http://www.yukonlawfoundation.com)

The Board meets a minimum of twice a year for general grant applications (April and early/mid September) and once a year to review scholarship applications.

# **OBJECTIVES**

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As noted in the Introduction, the Yukon Law Foundation is the recipient of the interest, which banks must pay on the trust accounts of lawyers practicing law in the Yukon. The objectives of the Foundation are to use these funds, as the Board of Directors see fit, for:

- **conducting research into and recommending reform of law and the administration of justice;**
- **establishing, maintaining and operating law libraries for public use;**
- **contributing to the legal education and knowledge of members and the people of the Yukon and providing programs and facilities therefore;**
- **legal aid programs and programs of like nature for the benefit of persons unable to afford the legal services they require;**
- **contributing to the Assurance Fund;**
- **contributing to the cost incurred by the Law Society in relation to proceedings under Part 3 of the *Legal Profession Act*; and,**
- **doing all other things that are incidental or conducive to the attaining of the objects enumerated in the preceding paragraphs.**

# ADMINISTRATION AND GRANTS

The affairs of the Yukon Law Foundation are conducted by a Board of Directors composed of six members, three being appointed by the Commissioner in Executive Council and three being appointed by The Law Society of Yukon. The Board members serve for a period of two years at a time.

The members of the Yukon Law Foundation Board during the 2007- 2008 fiscal year were:

## *Appointed by The Law Society of Yukon*

*Chair:* Malcolm E. J. Campbell  
*Board Members:* Lesley McCullough  
Rick Smith

## *Appointed by the Commissioner in Executive Council*

*Board Members:* Thomas Ullyett  
Michael Reynolds  
Janet Wood

*Executive Director:* Deana Lemke  
Beyond Words Business Services

The Board of Directors meets to consider applications and issues. Decisions of the Foundation are made in accordance with the wishes of the majority of the members present at a meeting. The Foundation presents a record of its financial position at each meeting and grants are considered in light of the revenues of the Foundation and the merits of each application. Applicants who receive grants are required to acknowledge in their grant activities the funding involvement of the Foundation.

# ***PROJECTS ACCEPTED***

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Grants accepted for the fiscal year ending October 31, 2008 are as follows:

## **Associations & Organizations**

- Canadian Bar Association Yukon Branch \$ 5,000.00
- Law Society of Yukon
  - CanLII Levy \$ 7,048.00
- Lynn MacDiarmid
  - Headnotes for Yukon Law Reports \$10,000.00
- Yukon Human Rights Commission
  - Participation in Law Reform Communication  
Consultations related to the Yukon *Human Rights Act* \$ 4,758.00

## **Law Library**

- Law Library Society of Yukon
  - Textbooks \$ 4,357.00
- Law Library Society of Yukon
  - Subscriptions \$31,000.00

# ***SCHOLARSHIPS***

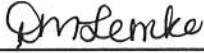
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- A total of 5 scholarships were granted to Yukon students totaling: \$ 15,000.00

# ACCOUNTING

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The accounting firm of MacKay LLP was retained to provide an audited Financial Statement for the Yukon Law Foundation for the fiscal year ending October 31, 2008. Those statements are included in this report.

  
per: Malcolm Campbell  
Chair  
Yukon Law Foundation

**Yukon Law Foundation**

**Financial Statements**

**October 31, 2008**

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# Yukon Law Foundation

## Financial Statements

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October 31, 2008

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## Management Responsibility Statement

The accompanying financial statements are the responsibility of management. The financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles and are considered by management to present fairly the financial position and results of operations.

Management is also responsible for implementing and maintaining a system of internal controls designed to provide reasonable assurance that assets are safeguarded and that financial records are properly maintained to provide reliable information for the preparation of financial statements.

Management is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control. The financial statements have been reviewed and approved by management.

MackKay LLP, an independent firm of Chartered Accountants, has been engaged to examine the financial statements in accordance with Canadian generally accepted auditing standards. Their report stating the scope of their examination and opinion on the financial statements, follows.

Dm Lemke  
Executive Director

April 17/09  
Date

  
Director of the Board

17 APRIL, 2009  
Date

## **Auditors' Report**

### **To the Directors of Yukon Law Foundation**

We have audited the balance sheet of Yukon Law Foundation as at October 31, 2008 and the statements of operations, changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Foundation as at October 31, 2008 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Whitehorse, Canada

January 15, 2009



**Chartered Accountants**

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## Yukon Law Foundation

### Statement of Operations

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For the year ended October 31,	2008	2007
<b>Revenues</b>		
Contributions	\$ 203,026	\$ 310,969
Interest	11,835	5,117
Brian Morris Donations	6,712	-
	<b>221,573</b>	<b>316,086</b>
<b>Expenditures</b>		
Advertising and promotion	2,284	1,800
Brian Morris Donation	7,700	-
Contract service	7,245	-
Grants	69,347	74,160
Meetings	909	169
Office	1,257	303
Professional fees	4,389	4,908
Scholarships	15,000	8,250
Telephone and utilities	808	34
Travel	4,580	924
Wages and benefits	-	2,793
	<b>113,519</b>	<b>93,341</b>
<b>Excess of revenues over expenditures</b>	<b>\$ 108,054</b>	<b>\$ 222,745</b>

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## Yukon Law Foundation

### Statement of Changes in Net Assets

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For the year ended October 31,

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	Invested in Property & Equipment	Unrestricted	Total 2008	Total 2007
Balance, beginning of year	\$ 1,363	\$ 445,878	\$ 447,241	\$ 224,496
Excess of revenues over expenditures	-	108,054	108,054	222,745
<b>Balance, end of year</b>	<b>\$ 1,363</b>	<b>\$ 553,932</b>	<b>\$ 555,295</b>	<b>\$ 447,241</b>

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# Yukon Law Foundation

## Balance Sheet

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October 31, 2008 2007

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### Assets

#### Current

Cash	\$ 46,889	\$ 135,569
Contributions receivable (note 2)	22,858	46,202
Short-term investments	498,365	286,942

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568,112 468,713

#### Property and equipment (note 4)

1,363 1,363

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\$ 569,475 \$ 470,076

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### Liabilities

#### Current

Accounts payable and accrued liabilities	\$ 14,180	\$ 22,835
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### Net Assets

Invested in Property & Equipment	1,363	1,363
Unrestricted	553,932	445,878

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555,295 447,241

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\$ 569,475 \$ 470,076

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Approved by the directors:

	_____	Director
	_____	Director

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## Yukon Law Foundation

### Statement of Cash Flows

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For the year ended October 31,	2008	2007
<b>Cash provided by (used for)</b>		
<b>Operating activities</b>		
Excess of revenues over expenditures of revenues over expenditures	\$ 108,054	\$ 222,745
Change in non-cash working capital items		
Contributions receivable	23,344	(16,553)
Accounts payable and accrued liabilities	(8,655)	10,235
Salaries payable	-	(1,600)
<b>Increase in cash</b>	<b>122,743</b>	<b>214,827</b>
<b>Cash, beginning of year</b>	<b>422,511</b>	<b>207,684</b>
<b>Cash, end of year</b>	<b>\$ 545,254</b>	<b>\$ 422,511</b>
<b>Cash consists of:</b>		
Cash	\$ 46,889	\$ 135,569
Short-term investments	498,365	286,942
	<b>\$ 545,254</b>	<b>\$ 422,511</b>
<b>Supplemental cash flow information</b>		
The Foundation had the following cash transactions:		
Interest received	\$ 11,835	\$ 5,117

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# Yukon Law Foundation

## Notes to the Financial Statements

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October 31, 2008

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**1. Nature of operations**

Yukon Law Foundation is administered by, and pursuant to, the provision of the Legal Profession Act of the Yukon Territory, and is organized to receive and manage property and money which is to be used for legal education, programs, and libraries.

**2. Significant accounting policies**

The following is a summary of the significant accounting policies used by management in the preparation of these financial statements.

**(a) Short-term investments**

Short-term investments are carried at the lower of cost and market value.

**(b) Property and equipment**

Property and equipment are recorded at cost with a corresponding increase in net assets invested in property and equipment.

**(c) Financial instruments**

All significant financial assets, financial liabilities and equity instruments of the Foundation are either recognized or disclosed in the financial statements together with other information relevant for making a reasonable assessment of future cash flows, interest rate risk and credit risk.

**(d) Contribution revenue**

The Foundation receives contributions of the interest earned on the trust accounts of Yukon solicitors directly from the financial institutions involved. The Foundation records these amounts when they can be specifically identified.

**(e) Grants**

Grants are treated as expenditures at the time the grants are approved by the Foundation. All unpaid, but approved grants, are included as grants payable. Approved grants which are not claimed within the required time frame are reversed and reduce the grants expenditures in the year they are reversed.

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# Yukon Law Foundation

## Notes to the Financial Statements

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October 31, 2008

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### 3. Future changes to significant accounting policies

Effective November 1, 2008, the Foundation implemented the new CICA Handbook Section 1506 "accounting changes". Under these new recommendations, voluntary changes in accounting policy are permitted only when they result in the financial statements providing reliable and more relevant information. This section requires changes in accounting policy to be applied retrospectively unless doing so is impracticable, requires prior period errors to be corrected retrospectively and requires enhanced disclosures about the effects of change in accounting policies, estimates and error on the financial statements.

These recommendations also require the disclosure of new primary sources of generally accepted accounting principles that have been issued that the company has not adopted because they are not yet in effect.

The impact the adoption of this Section will have on the Foundation's financial statements will depend on the nature of future accounting changes.

#### General standards for financial statement presentation

The CICA has amended Handbook Section 1400 "General standards of financial presentation" effective for periods beginning on or after January 1, 2008 to include requirements to assess and disclose the Foundation's ability to continue as a going concern. The adoption of this new section is not expected to have an impact on the Foundation's financial statements.

#### Financial instruments

In December 2006, the CICA issued Handbook Section 3862, "Financial Instruments – Disclosures" and Section 3863, "Financial Instruments – Presentation" to replace Section 3861, "Financial Instruments – Disclosure and Presentation". Originally required to be implemented for fiscal years beginning on or after October 1, 2007, the CICA has extended the implementation date for one year, to fiscal years beginning on or after October 1, 2008. Management now intends to implement these sections effective November 1, 2008.

Section 3862 establishes standards for disclosures about financial instruments and non-financial derivatives and identifies the information that should be disclosed about them. Section 3863 establishes standards for presentation of financial instruments and non-financial derivatives. Transitional provisions are complex and vary based on the type of financial instruments under the consideration. The effect on the Foundation's financial statements is not expected to be material.

### 4. Property and equipment

	2008	2007
Equipment	\$ 1,363	\$ 1,363